



EFFECT AUDIT COMMITTEE FINANCIAL EXPERTISE TOWARD ASSETS MISAPPROPRIATIONS

NURUL AIDA BT ABD GHANI

2009258958

**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) FINANCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITY TEKNOLOGY MARA (UiTM)
KOTA BHARU CAMPUS**

APRIL 2011

ACKNOWLEDGEMENT

First praise is to Allah, the Almighty, on whom ultimately we depend for Sustenance and guidance. My sincere appreciation goes to my helpful advisor, Madam Siti Maziah Bt Ab Rahman. The supervision and support that she gave truly help the progression and smoothness of the internship program. The co-operation is much indeed appreciated. Her timely and efficient contribution helped me shape this into its final form and I express my sincerest appreciation for his assistance in any way that I may have asked

My grateful thanks also go to Pn. Suzlin Bt Mohamad. A big contribution and hard worked from her during the twenty week is very great indeed. All projects during the program would be nothing without the enthusiasm and imagination from her. Besides, this internship program makes me realized the value of working together as a team and as a new experience in working environment, which challenges us every minute. Not forget, great appreciation go to the rest of PPD Kuala Krai's staff that help me from time to time during the project. The whole program really brought us together to appreciate the true value of friendship and respect of each other.

Special thanks, tribute and appreciation to all those their names do not appear here who have contributed to the successful completion of this study. Finally, I'm forever indebted to my family who, understanding the importance of this work suffered my hectic working hours. Last but not least I would like to thank my friends especially those who give the idea that will help my thesis – Miss Farhana Yushalani and Miss Nur Nadia Abd Aziz for the wise idea throughout the project. *University Instituted Technology Mara (UiTM) – Faculty of Business Administration*
Industrial Training Report.

DECLARATION OF ORIGINAL WORK



UNIVERSITI TEKNOLOGI MARA (UiTM) KOTA BHARU CAMPUS

FACULTY OF BUSINESS MANAGEMENT

BACHELOR OF BUSINESS ADMINISTRATION (HONS) FINANCE

I'm Nurul Aida Binti Abd Ghani (I.C number: 880605-03-5598).

Hereby, declare that:

- This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extract have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: _____

Date: _____

TABLE OF CONTENTS

ACKNOWLEDGEMENT	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
TABLE OF CONTENTS	iv
APPENDIX	v

CHAPTER ONE: INTRODUCTION

1.1	Background of Study	2
1.2	Definition of Terms	3
1.2.1	Audit Committee	3
1.2.2	Financial Expertise	5
1.2.3	Audit independence	6
1.2.4	Misappropriated of assets	6
1.3	Problems Statement	10
1.4	Significant of Study	11
1.5	Research Objectives	11
1.6	Theoretical framework	12
1.7	Research Hypothesis	13
1.8	Limitation of the Study	15
1.8.1	Time Constraints	15
1.8.2	Financial Limited	15
1.8.3	Availability of Data And Information	16

ABSTRACT

This descriptive study is done to the application of an Effect of Audit Committee Financial Expertise and Assets Misappropriation. The study was carried out with the purpose to identify the audit committee financial expertise, audit committee accounting expertise, audit committee non-accounting expertise and independent member in financial expertise. This study was used the secondary data to get the data statistics about the misappropriated assets cases and the financial expertise. Then response was evaluated by using Statistical Package for Social Science (SPSS) Version 16.0. The research was analyzed descriptively and tabled as Cross-tabulation, Multiplier Linear Regression, Correlation Coefficient and Chi-Square. The finding of this study shows that the misappropriated of assets is influenced by the audit committee financial expertise, audit committee accounting expertise, audit committee non-accounting expertise and independent member in financial expertise. There are negative relationship between dependent variable and independent variables. Which mean that the audit committee financial expertise, audit committee accounting expertise, audit committee non-accounting expertise and independent member in financial expertise (IV) increase, the Misappropriation of assets (DV) will decreased. Finally there are some suggestions forwarded to reduces the misappropriated of assets cases by give the knowledge to the workers about the white-collar crime law.